



Foreign Agricultural Service

**GAIN Report**

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## Venezuela

### Retail Food Sector

## New Hypermarket Opens in Venezuela 2001

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#### Report Highlights:

**The general manager of Cativen's first 6500 square meter hypermarket expects to sell \$50 million during the first year of operations. The extensive marketing efforts of FAS/Caracas in recent years through promoting FMI, NRA and the Fancy Food show have encouraged the development of this next phase of potential consumer retailing.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Caracas [VE1], VE

**Cativen opens its first hypermarket in Venezuela**

Cativen opened up their first "Exito" hypermarket in Caracas. The store is 6,500 square meters in size and has wide aisles, 37 check-outs and sufficient parking for 750 vehicles. Consumers will now have the option of making all their purchases in a single place.

Cativen is a consortium: The Casino Group of France owns 50.01% of the stock package, Group Exito-Cadenalco of Colombia has 28% and the Polar Group of Venezuela has the rest.

**Hypermarket concept**

According to experts, in order to meet a "hypermarket" concept a store must have at least 5,000 square meters of floor space, be self-service and offer a full range of high quality products, a large variety of brands and additional services, all at low prices.

**Services offered by EXITO**

In addition to the typical supermarket services, the new hypermarket will offer a large variety of goods as well a wide number of brands. Other services include:

Freshly baked breads, ready-cooked meals, hardware goods, an electrical goods repair workshop, a dry-cleaning shop, an ice-cream shop, a restaurant and ATM's

**Estimated Sales Expected**

EXITO's General Manager, Carlos Hugo Escobar, announced that he expects sales to reach \$50 million during its first year of operation. After an initial investment of approximately \$40 million for this new hypermarket, Hugo Escobar mentioned that the company plans to expand its operation during the next two years. Sales during the first two weeks of operations have already exceeded Exito's projections by 35 percent.

**Future Openings**

An aggressive expansion plan includes opening six more hypermarkets in the country. Major cities will have an EXITO within the next two years. The new stores will be located in the following cities:

Puerto La Cruz (to be opened in July 2001)  
Maracaibo (to be opened in September 2001)  
Barquisimeto (to be opened in November 2001)  
Valencia (to be opened in 2002)  
Maracaibo (a second store in this city will be opened in 2002)

FAS/Caracas will be in close contact with the chain directors and managers to provide them information about our services and the trade shows related to their sector, like the FMI, the FANCY Food Show, and the AF&B, among others, as well as the local trade shows and sales missions organized by this office.

*Source: Local Newspapers*